

# **FISCAL NOTE**

## **SB 602 - HB 1570**

April 24, 2005

**SUMMARY OF BILL:** Requires TennCare managed care organizations to reimburse non-participating providers their usual and customary charges for emergency services to enrollees.

### **ESTIMATED FISCAL IMPACT:**

**Increase State Expenditures – Exceeds \$360,000**

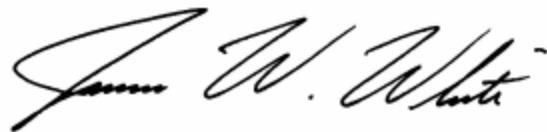
**Other Fiscal Impact – Increase Federal Expenditures – Exceeds \$640,000**

Assumptions:

- “Usual and customary” charges are greater than the reimbursement paid by the MCOs.
- Emergency services include ER professional services and inpatient and outpatient services that are deemed an emergency.
- TennCare reimbursed approximately \$79,000,000 for emergency room services in CY 2004. Paying for usual and customary charges is estimated to increase expenditures in an amount exceeding \$1,000,000.

### **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director